

CABINET COUNCIL ON MANAGEMENT AND ADMINISTRATION

Meeting #13  
June 8, 1983, 2:00 p.m.  
The Cabinet Room

MINUTES

Attendees: The President, The Vice President, Weinberger, Smith, Block, Donovan, Heckler, Dole, Meese, Devine, Stockman, Feldstein, McNamar, Simmons, Mossinghof, Hesse, Wright, Porter, Darman, Fuller, Gergen, Rollins, Verstandig, Khedouri, Cribb, Bledsoe, Boggs, Dunlop, Auchter, Steinberg, Amstutz, Jenkins, Rogers, Cicconi

1. Federal Employees Health and Safety

Secretary Donovan introduced Mr. Auchter, who gave a brief presentation on the growth of injury claims and compensation costs for injuries incurred by Federal workers. Fifteen agencies account for over 98% of the claims, and over 97% of the costs. Citing accident prevention as the primary means for reducing both, Mr. Auchter described successful attempts in two of these organizations - the Postal Service and TVA - to reduce the number of claims and rate of growth of costs, primarily through top-management involvement. Based on approaches and results in these two agencies, OSHA proposed a government-wide injury reduction goal of 3% per year for the next five years, beginning in FY 1984.

Action: Mr. Meese suggested that a memo be sent by the President to all agency heads, directing their active participation in achieving the goal, and that a special annual report for the President be prepared on each agency's progress. The President approved these actions.

2. Financing Federal Assistance Programs to States

Mr. Meese introduced this topic and outlined the need for improving financial assistance methods used by the Federal government. Mr. Wright described the problem as one in which large sums of Federal funds are disbursed to States (\$84 billion annually) using less than efficient cash management methods. He cited an HHS "delay-of-draw method" which, while quite innovative and promising, encountered legal obstacles in 26 States. OMB requested approval to proceed with development and discussion with States of a proposed "checks issued/interest earned method." This method would include an interest-bearing government account, and be tested in three or four States prior to use. It would be discussed again with State financial managers by OMB, HHS, and Treasury in late June.

Action: The President approved 1) proceeding with development of this approach, and 2) providing information for the public when States have accepted use of this new method.